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ABSTRACT

This essay offers an analysis and critique of business involvement in public elementary and secondary education. An opening section suggests that of the initiatives launched in the past, many have been only cosmetic and based more on slogans and fads than on meaningful reform proposals. The essay goes on to suggest a more thorough identification of the nature and direction of the education crisis as a means to better formulate an effective business response. This section argues that the most effective way for business to be involved in education reform is by playing a larger role in the social and political debate about reform. An analysis of the businesses and school partnerships centered on financial assistance and of the effectiveness of various efforts is included. This section concludes that spending money on schools is most often not the best way to achieve real change. A later section argues that the most direct route to improving American education is to radically change the way public schools operate and that schools and the education establishment have effectively resisted change. A final section suggests a business agenda for school reform that would support parental choice, elimination of personnel regulations, and the states' school regulating role. Offers 61 notes. (JB)

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WHEN BUSINESS "ADOPTS" SCHOOLS: SPARE THE ROD, SPOIL THE CHILD

by John Hood

The debate over the reform of public education in the United States has largely become an exchange of clichés, of orphaned terminology searching for practical meaning. For example, all sides in the debate are calling for school "restructuring," although the architecture of the education edifice to be created from the ruins of the old is rarely defined. The National Education Association, the largest teachers union in the country, is running an advertising campaign with the theme "Invest in Education," as though massive increases in education spending over the last two decades haven't already tested the efficacy of investment without results.

Studies and surveys have identified the importance of what is called "parental involvement" in education, although what that phrase means is purposely obscured; many education leaders who call for increased parental involvement object to involving parents in the most critical educational decision of all--which schools children will attend. In many states, "back to basics" legislation has mandated that dance classes and driver education be available during the school day in every school district, large or small. From these and other examples, it is evident that phrases and slogans have replaced sound analysis and specific, meaningful reform proposals.

Slogans and clichés have been especially prominent in discussions about what role U.S. business should play in education reform. Business enterprises have done such things as enter into public-private partnerships, adopt schools, and form business compacts to encourage change and performance.

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But do America's schools suffer for lack of private partners or adoptive parents? Not really. "So long as adopt-a-schools, partnerships, and cooperative ventures are the first, exploratory steps, they are important; as last steps, they are not worth the paper they're written on," commented Denis P. Doyle, a scholar at the Hudson Institute, in a special section of Business Week. "As a device to lay the groundwork for restructuring, they are invaluable; if they simply represent transient, cosmetic changes, they are wasted effort."[1]

Unfortunately, most business activities on behalf of education reform during the middle to late 1980s can only be described as cosmetic, not radical, surgery; and with each passing year, the health of American education continues to deteriorate. Furthermore, in a few cases, business leaders have become coopted by the education establishment, on whose watch public schools have performed so poorly, with the result that business has pushed for more of the same purported reforms that have proven to be wasteful and counterproductive in the past: massive infusions of cash, continued reduction of teacher productivity, and more centralized regulation of school operations, personnel, and curriculum. Such action is worse than merely cosmetic surgery; those business leaders are helping to kill the patient outright.

Identifying the Education Crisis

The problem is definitely not to be found in the intentions of business leaders or in their diagnosis of how waves of poorly educated graduates will affect America's economic strength. Accustomed to the demands of a competitive marketplace and the incentives it provides to produce the best and most goods at lowest cost, business executives often have a uniquely insightful understanding of the education crisis. "It is a bitter irony that at a time of unprecedented high-tech affluence, virtually full employment, and our highest level of mean education achievement, our school systems are producing so many 'products' subject to recall," said Preston Townley, president and chief executive officer of the Conference Board, in a 1989 speech in Los Angeles.[2] Not only do business leaders understand the magnitude of the problem, but many have recognized the feckless performance of reform efforts during the 1980s. "No more rewards for predicting rain," says RJR Nabisco chief executive officer Louis Gerstner. "Prizes only for building arks."[3]

Business has sound reasons to fear the current flood of ill-prepared, sometimes illiterate high school graduates into the U.S. job market. First, young people just entering

the work force simply don't have the basic skills necessary to perform many of the tasks demanded by the modern competitive economy. In studies performed in conjunction with the Workforce 2000 report by the Hudson Institute, researchers William Johnston and Arnold H. Packer found that the reading level of the average young adult aged 21 to 25 was significantly below the reading level required to do the average job available in 1984--and even more significantly below the level required to fill the jobs to be created from now until the end of the century.[4] They computed this distressing statistic by comparing the Labor Department's rankings of necessary language skills for particular jobs (from 1, the rudimentary level, to 6, the level required for professions such as scientist and lawyer) with student performance on tests prepared by the National Association for Educational Progress (NAEP), which conducts examinations of national sample groups of students. Johnston and Packer found that while the language ranking needed to perform the average job in 1984 was about 3, new jobs to be created until the year 2000 would require a ranking of about 3.6. Unfortunately, the average ranking of American students on NAEP tests is about 2.6.

The practical impact of this job/skills gap is being felt throughout the U.S. economy. For example, Metal Fab Corporation, a Florida manufacturing firm, estimated in 1988 that it could save $1.2 million a year if its employees had stronger reading and math skills--they wouldn't misread blueprints as often or measure costly production materials incorrectly, which cause waste.[5] Concerned about worker mistakes, New York Life in 1989 began airlifting its health insurance claims to Ireland for processing.[6] Citicorp Savings Bank of Illinois rejected 840 of every 1,000 applications it received for bank teller and clerical positions in 1990; most of those rejected couldn't fill out the application forms.[7]

Even when employers do accept ill-prepared applicants, they must spend time and money teaching their new employees to read, write, and solve simple mathematical problems. IBM, for instance, spends about 17 percent of its $60 billion in total revenues each year on education and training in general, including funds for salaries for 7,000 teachers, for classrooms, and for textbooks--and that total doesn't include the cost of paying employees a salary while they are being taught the skills to actually do the jobs they were hired to perform.[8] Some corporations have gone even further by setting up classes for potential job seekers, just to create a suitable applicant pool from which to select new employees.[9]

Even given such efforts (which are discussed in more detail below), new workers in most companies remain generally unprepared for the demands of their jobs. After all, while large companies can afford to reeducate at least some of their employees, small ones more precariously positioned above the break-even line can't afford to make up for school failure. In an American Management Association survey of companies with annual sales under $50 million (which are still sizable firms compared to the vast majority of American firms), only 6 percent tested their employees for basic skills and only 25 percent of those companies administering tests either provided remedial instruction or required employees to attend remedial courses elsewhere.[10]

Business involvement in pre-college education, while varied and in some cases manifested in unique programs, generously falls into three basic categories: (1) business helping schools, by providing donations and other aid to elementary and secondary schools; (2) business acting as schools, by providing company-run training and remedial programs; and (3) business changing schools, by being involved in the social and political debate over education reform. After some 20 years of intense and sometimes frenzied activity on these fronts, business enterprises have generally found that their efforts in helping by giving aid, although well-intentioned and laudable, have had little effect on the quality of such education. They have had more success with their own instructional programs, although the cost and availability of such programs have limited the magnitude of the effect on the overall quality of American education. It is the third category, business involvement in the social and political debate, that is playing a larger and larger role in how companies are addressing the education issue. Although this category holds the most promise for substantially improving education, the results so far can be described at best as mixed.

Business Helping Schools: How Large an Allowance?

It's difficult to argue with the notion, widely held throughout the post-Nation at Risk reform wave of the 1980s, that business involvement with and aid to local schools are a good idea.[11] All things being equal, a little encouragement from business executives might be just the thing that keeps particular students on track and motivated to learn, with the prospect of future reward in the working world. After all, it's gratifying and inspiring for young people--especially those whose parents are either uninterested or unable to provide gratification or inspiration at home--to

learn that others care whether they succeed in their studies.

Taking this notion to heart, American business drastically increased programs to provide funds, technical assistance, volunteers, and other aid to particular schools or school systems during the 1980s. Many of these programs were constructed on the public-private partnership model, a consultative process in which companies determine the needs of their partner schools and then make arrangements to fill them. By 1988 the number of such partnerships had reached 140,000, up from 40,000 in 1983.[12] According to statistics compiled by the Council for Aid to Education, corporate donations to schools totaled about $225 million in 1989, an increase of 125 percent since 1986.[13] And that figure doesn't factor in the dollar value of volunteer efforts on the part of business executives, managers, and other employees.

Corporate monetary and in-kind donations to schools are made in a number of different ways. One concept made popular in the 1980s was for a company to adopt a school, usually a school located near the business office or plant. In many cases, company employees meet with school personnel to plan visits by company employees to teach or help teach classes, make guest appearances as lecturers or motivational speakers, plan and staff fund-raisers, and serve as mentors to students. According to Department of Education statistics, about 50 percent of business/school partnerships involve the donation of goods and services, rather than dollars, to individual schools; 25 percent of such partnerships involve only donations of money, and the remaining 25 percent combine goods, services, and money.[14]

It's fair to say that since the early days of partnerships and adopt-a-school programs, enthusiasm has waned. Despite costly and time-consuming efforts, business enterprises haven't really seen practical results. In a survey conducted by Fortune magazine, 55 percent of corporate leaders who have given money or in-kind contributions to schools said their involvement has made little if any difference.[15] "Adopting schools and buying chic uniforms for school bands and school basketball teams made some local people happy," said Townley of the Conference Board, "but business leaders began to realize that they did nothing for true educational reform."[16]

One reason that companies seem less enamored than they used to be about direct partnerships with schools is that contact with school personnel has identified significant differences between the two groups. Government regulations

and union contracts have frequently limited the ability of school employees to take action or create programs as quickly and as imaginatively as business leaders want. Jane Salodof of Management Review describes one case in which a corporation donated a computer to its adopted school, only to find that after several months, the computer still hadn't been used. It couldn't be used because a chalkboard was in the way. "Such a delay may be taken in stride for school officials, who often do not control unionized school custodians," Salodof wrote, "but it is difficult for corporate leaders to accept as routine."[17] At another school a $10,000 business donation wasn't deposited for nearly a year because approval was required from a committee that didn't meet very often[18] (which explains why many companies and schools prefer in-kind, rather than monetary, contributions).

In other cases, school officials have been less than enthusiastic about having a local company constantly make suggestions and proposals about how the schools should be run. Many officials want corporate money, in-kind donations, and moral support--but not much else. One of their assumptions is that although companies understand management and production in private enterprises, such expertise is less applicable to schools.[19] Others fear too much corporate involvement and influence in decisions about school personnel, programs, and curriculum.[20] Timothy F. Hyland, superintendent of Champaign (Illinois) Community Schools, typifies proponents of this view: "We would do well to remember the updated version of the Golden Rule--he who has the gold makes the rules."[21]

Still other critics have attacked the decentralized, ad hoc nature of most business/school partnerships as not being an organized reform effort. Donald M. Clark, president and chief executive officer of the National Association for Industry-Education Cooperation, has called the partnerships of the 1980s "a charade" and has suggested that school improvement requires a "systemwide, synergistic mechanism . . . a centralized, formal structure involving business, labor, government, the professions, and, of course, schools."[22] But such broader organizations--industry-education councils, business compacts, or statewide task forces--have the same drawback as the smaller-scale partnerships: They operate on the periphery of school operations. Those organizations, says Salodof of Management Review, "are considered successful partnerships, but no one suggests they have solved all, or even most, of the problems facing the public schools in their communities."[23] In the case of the Boston Compact, established in 1982 and administered by the Boston Private Industry Council, after the compact's first

five years of existence, the participating companies were reluctant to renew the agreement to give hiring priority to Boston public school graduates in return for measurable gains in basic skills. The reason? Although local firms had exceeded the hiring goals set forth in the compact, Boston-area graduates still had not significantly improved their reading abilities and the school dropout rate had actually increased since the compact's founding.[24] "We want to see some evidence that fundamental change is being undertaken before we sign a Compact II," said one Boston business leader at the time.[25] Eventually, local companies did agree to a new compact, with more ambitious academic goals and substantial changes in pupil assignment and operations.

Fundamentally, most business and school leaders have come to believe that partnerships and donations alone will not make much of a difference or advance their goals in the education-reform process. The dollar amount of donations, while substantial, has never made up more than a small percentage of school budgets.[26] And companies seeking to make donations have faced a dilemma: If they set specific goals for schools to reach, as a condition for aid, they are accused of inappropriate meddling in education policy; but if they write blank checks to be spent by schools for more of the same programs and operations that have apparently failed so miserably in the past, their efforts will be either wasted or counterproductive.

Business Acting as Schools: Whose Assignment Is It?

Faced with the failure of public education--and the shortcomings of partnerships and donations--many companies have resolved to address the problem themselves by providing basic education for their workers. Training programs have been a corporate mainstay for years, of course, but a significant number of today's corporate classrooms are as likely to be teaching workers how to read and solve mathematical problems as to be teaching them how to operate machinery or follow production procedures.

Considered in the broadest sense, U.S. business is an enormous educational enterprise. It spends some $210 billion every year on training and education, either directly ($30 billion for formal classes and training programs) or indirectly ($180 billion for on-the-job instruction, informal lessons from a supervisor or coworker).[27] By comparison, the total budget for education from kindergarten through high school (K-12) in the United States ranges around $200 billion a year and the total budget for college

and university education is well over $100 billion a year. But it is difficult to determine exactly what percentage of business' education budget comprises remedial and other instruction that makes up for failed K-12 education. It's an apples-versus-oranges problem. Often, training programs ostensibly designed to teach workers a production technique must first bring them up to an acceptable level in language or mathematical skills. The American Society for Training and Development estimates that of the $30 billion in formal classes and training programs operated by U.S. business each year, only about $250 million can be specifically identified as being used for teaching reading, writing, mathematics, and other basic skills.[28] But other observers estimate that the total cost to business for remedial instruction is much higher.[29]

Regardless of how one totals the entire business effort on this front, there are notable examples of businesses taking up the slack for failed public education. They include the following:

* Philadelphia Newspapers, Inc., (the owner of the Philadelphia Inquirer and the Philadelphia Daily News) provides coworker tutors and classes for employees with poor reading skills. The company started the program after learning that about 20 percent of the employees couldn't read the newspaper they were printing or delivering.[30]

* The Aetna Life & Casualty Company operates the Aetna Institute for Corporate Education in Connecticut. Educating some 28,000 students each year, the institute offers Aetna employees more than 250 courses, ranging from management techniques to basic writing.[31]

* Motorola Corporation tests prospective employees for basic skills, requiring that all workers reach a fifth-grade level in mathematics and a seventh-grade level in reading. At any given point in time, about 4 percent of production workers are in company-sponsored classes.[32]

* Honeywell, Boeing, Eldec, and other corporations in the Pacific Northwest sponsor classes at a vocational center near Seattle. Business participants hire most of the program's graduates.[33]

Still, most companies in the United States are not in a position to fix a problem that was created during an employee's school experience. And the loss to the economy in having to teach basic skills twice to the same people, be-

cause the first lesson was learned so badly, is substantial. Corporate education programs demonstrate that students failed by public education can be taught basic skills, but they demonstrate just as clearly that competitive pressures, a focus on productivity and results, streamlined management, and proper student motivation (wages and benefits waiting for them in their new jobs) are all critical components of successful education.

Business Changing Schools: Potential and Reality

The most direct route to improving American education is to change radically the way public schools operate. However, that is one way in which business enterprises have not been performing up until now, mostly because school officials--and the local, state, and federal policymakers taking their cues from such officials--have resisted alleged interference from the business world. It is as if government has been encouraging business to adopt schools, but has prevented the new business "parents" from disciplining or instructing their adopted schools.

That which creates a spoiled brat within a family seems to have the same effect in education. By and large, public schools have failed to meet the expectations and demands of students, parents, and society at large. But rather than taking the blame itself for its own actions and undertaking truly serious reforms, the public education establishment has allocated blame--mostly unfairly--to a lack of resources, lack of community support, and other factors.[34] Like the guilty children confronted by their parents in Bil Keane's "Family Circus" cartoon strip, members of the education establishment point to the "Not Me" ghost--only in this case, many are pointing to taxpayers, both individual and corporate, who oppose the continued escalation of public education budgets.

Perhaps the most widespread opinion among public school officials, teachers, and the unions representing them about business involvement in education is that it is inherently hypocritical--because business has opposed tax increases for education. "At the same time many firms hold out their hand as partners, they are lobbying for reduced taxation or exemptions from local property taxation," complained Hyland of Champaign Community Schools.[35] That situation leads to schools becoming the "victim of a cruel hoax," he added. Other public educators have accused business of sabotaging reform legislation proposed by education lobbies that would spend a great deal of money increasing teachers' salaries,

reducing class sizes, or equalizing spending among rich and poor school districts.

Actually--and unfortunately--the record shows a growing number of instances in which well-intentioned, concerned business leaders have supported both so-called school reform plans devised by the education establishment and increased taxes to pay for implementation. In recent years, business organizations in New Orleans, Cincinnati, Memphis, South Carolina, North Carolina, California, and Maryland have supported local or state tax increases to pay for school improvements.[36] In 1990, for example, the Advisory Council for Business and Industry of Prince George's County, Maryland, endorsed the recommendation of the school superintendent that tax increases fund a $178 million expansion of the school system's budget.[37] The council suggested either creating a new tax to be earmarked for public schools or repealing the Tax Reform Initiative by Marylanders (TRIM), passed in 1978 to hold down property tax rates. "TRIM has tied this county's hands behind its back," Wayne Curry, a member of the council and president of the county's chamber of commerce, told the Washington Post. "It's time we look at some additional sources of funding for the county's education system or the entire county is going to be in trouble."[38]

Early in 1991 a prominent business group called for at least $10 billion in new federal spending on education. The committee for Economic Development, a New York group of 250 business and education leaders, announced that the national school reform effort would fail unless the federal government expanded Head Start, an early-childhood education program, from its current focus on poor children to all children aged five and under.[39] The committee's report also criticized voucher plans allowing parents to spend tax money on private or parochial education, saying that such a plan would leave the worst public schools to the children who need the most help. Other business groups, prompted by education officials, have criticized school choice, vouchers, and privatization. William S. Woodside, chief executive officer of American Can Company, for example, exhorted his colleagues to oppose vouchers ("which would be financed with funds now being spent on vital programs") and "to prevent the diminution of public financing for public education."[40]

Teachers unions, education officials, and other supporters of the existing public education system have made a conscious, spirited effort to convince business leaders that the problems of education are mostly monetary and that reforms such as choice, decentralization, and alternative

certification would destroy education. Many schools actively use the public-private partnership model as a political tool to recruit business allies.[41] Cultivating business contacts appears to be part of a marketing strategy to increase public support for increased education spending.[42] Alan H. Jones, managing editor of the Education Digest, explained in a essay that the real problem faced by schools is that "our unsuspecting public, protected for generations from any real knowledge about the public schools, is now told that our education system is a failure," thus reducing support for education spending and taxes. "Such reports are untrue," Jones continued. "The American public school system is not a failure, if judged by any rational, objective yardstick. Indeed, the achievements of our schools should be seen as legend."[43]

To a surprising degree the education establishment's marketing strategy has worked. Even as business leaders complain about the shortcomings of their early involvement with school reform, many of them tend to support the initiatives and programs devised by the very people who have been in charge of U.S. education during its decline. The programs--increased spending for schools generally, expansion of Head Start, school equalization--are just a variation on an old theme, not a truly innovative set of reforms. American public schools already spend more per student than do schools in every other country, with the exception of Switzerland.[44] Moreover, the 1980s were a period of rapidly expanding school budgets, reduced class sizes, and increased teacher salaries in the United States. Total federal, state, and local expenditures for current expenses in public schools increased by about one-third during the 1980s.[45] Much of this spending increase was related to attempts to reduce further the already declining average class size (which is 63 percent lower today than it was in 1955), even though countries such as Japan, South Korea, Spain, and France, whose students perform much better on standardized tests than American students do, have significantly larger classes.[46]

If spending increases, class-size reductions, and other factors so prominently pursued during the 1980s reform craze were really the answer to our educational woes, some evidence of student progress would exist. But it doesn't. A landmark survey of academic studies on the relationship between school reforms and student performance, compiled by researcher Eric A. Hanushek, found little or no correlation between spending increases, class-size reductions, teachers' pay hikes, or other factors and student performance.[47] John E. Chubb of the Brookings Institution and Terry M. Moe of Stanford University, coauthors of an important book ana-

lyzing school reform efforts, remarked that "the relationship between [money] and effective schools has been studied to death. The unanimous conclusion is that there is no connection between school funding and school performance."[48] Lest anyone doubt the breadth of this unanimity, John Judis of the socialist paper In These Times wrote in a report on New Jersey education battles published in The New Republic in 1990 that "the educational research of the past decade has revealed, almost without exception, that increased funding has not improved education."[49]

The surprisingly widespread support for Head Start expansion among education-minded business leaders is especially disconcerting. The program was never intended to be expanded to all children, as Edward Zigler, a creator of Head Start in the 1960s, has pointed out. In his words, "Those who argue in favor of universal preschool education ignore evidence that indicates early schooling is inappropriate for many four-years-old and that it may even be harmful to their development."[50] It is primarily the health and nutritional components of Head Start, not its educational content, that help poor children. And even that help appears to be short-lived, at least as measured by its effects on schooling. A federal study of Head Start, released in 1985, found that by the end of the second year of elementary school, "there are no educationally meaningful differences on any of the measures" between Head Start children and their peers.[51] Making a major expansion of Head Start the linchpin of education reform, as many business groups have advocated over the past two or three years, would be a costly and destructive mistake. Moreover, it assumes that America's education problems stem from the fact that publicly supported institutions do not have enough control over the instruction of children. It's another case of pointing to the "Not Me" ghost--assuming that schools are failing to educate children in grades K-12 simply because they aren't teaching them at the pre-kindergarten level.

A Real Business Agenda for School Reform

What should American business be doing to bring about real education reform? First, business leaders should return to first principles. They must begin to apply the lessons they learn every day in the competitive marketplace--that competition breeds quality, investment without productivity is wasteful, and producers must be accountable to consumers--to the public education system they rightly view as a legendary failure. These market principles, applied to public education, suggest a slate of reforms that depart from the prepared script of the education establish-

ment. They include parental choice among public, private, parochial, or home schools; elimination of statewide personnel regulations, including tenure and teacher certification; and elimination of the states' role in determining curriculum, textbooks, hours of operation, etc. Such changes can be summed up in a single model: the entrepreneurial school. As much as possible, schools must be able to set their own course and sink or swim according to how much business they attract from education shoppers--parents.

Some of these changes are easier said than done.[52] Teachers unions wield tremendous power in Washington, in state capitals, and on local school boards, and they generally oppose the creation of entrepreneurial schools. Entrepreneurs, after all, enjoy little security. The must come up with their own niche, their own way of approaching a given problem. If their ideas don't fly, they go out of business.

One thing American business leaders can bring to the education debate is political power and organization to rival those of the education establishment. A recent case in Indiana demonstrates the potential for business pressure to bring about real school reform. In February 1991 a group of chief executive officers from 15 Indiana corporations proposed a wide-ranging school-choice plan--called COMMIT--for the state. The plan, bitterly opposed by the Indiana State Teachers Association and its legislative allies, nonetheless cleared the state senate's education committee. COMMIT would provide each school-aged child in the state with a "scholarship" of public money (a term borrowed from John E. Chubb and Terry M. Moe's book, Politics, Markets, and America's Schools[53]). This scholarship could be spent at any public or private school meeting the minimal qualifications of the program. "We must put the education spotlight on the child, not the system," James Baker, chief executive officer of Indiana's Arvin Industries, told the Wall Street Journal. "Public education should mean public funds to educate children, not to support school systems."[54]

Although COMMIT may not pass in its pure form in the Indiana legislature, evidence of its impact on the state's reform debate became immediately obvious. Indiana's superintendent of public instruction, Dean Evans, told the education committee that COMMIT was unneeded because he had already devised a plan to deregulate, decentralize, and provide parental choice of schools.[55] The committee passed COMMIT anyway (but it was stymied on the floor of the state senate). The incident demonstrates how business leaders, advocating real reform, can pull the political debate over

education away from the education establishment and toward needed innovation.

In other states and localities, business groups have begun to challenge the education establishment and to push for market-oriented reforms. School-choice plans proposed in such states as Louisiana and Arizona have had the backing of the business community.[56] In Chicago a coalition of businesses was instrumental in designing and implementing a radical decentralization of the city schools, viewed as a first step toward broader reforms and choice.[57] Also in Chicago, a group of corporations has opened a private school, the Corporate/Community School, that educates 250 children aged 2 to 13 at no cost to their parents. The school is intended as a model for others to copy, and Corporate/Community Schools of America hopes to open additional schools in other cities.[58]

Other firms are also experimenting with setting up schools to assist at-risk youngsters. Rich's Academy operates on the sixth floor of Rich's department store in Atlanta, using public school teachers in cooperation with Rich's employees to teach 100 teenagers. Cities in Schools Inc., a nonprofit social services agency, works with Rich's. Cities in Schools has helped Burger King set up Burger King Academies for students at risk of dropping out in 10 cities and is now working with Goldman, Sachs & Co. to develop similar academies.[59] Other business leaders and groups have proposed market-oriented reforms with varying degrees of success.

However, more important than initial policy victories is a redefining of the education debate. If U.S. public education is to be recast along the lines of the entrepreneurial school, those initial business efforts must be continued and expanded across the country. "If we in business don't close ranks and insist on radical reform, and do this very soon, I say . . . forget it," said Thomas F. Roeser, president of the City Club of Chicago. "By the year 2000 we'll be even further behind in the international education standings than we are now."[60]

Business enterprises must scrutinize their charitable and philanthropic involvement with public schools to make sure they aren't simply buttressing the current system. Consider the absurdity of improving the U.S. Postal Service, a government monopoly generally regarded as providing relatively poor service at relatively high cost, by having companies adopt a post office. It wouldn't change anything. If partnerships with public schools are to be retained at all, they should be reconstituted as avenues to create pres-

sure for real reform--to be used, for instance, to locate and cultivate relationships with superintendents, principals, and teachers who support market-oriented reform (there are quite a few, but they have no union to speak for them). State business associations should push for downsizing the education bureaucracy, deregulating local schools, and implementing school choice--and make efforts toward those goals a condition for the state's public schools to receive business aid. Business leaders should also use their influence and access to public rostrums to advocate school choice and other reforms; a strong argument from a prominent chief executive officer can by itself put market-oriented reforms on the public agenda.[61]

Most importantly, however, companies must seek out their own information, ideas, and opinions on critical education questions, rather than rely on the answers provided by the education establishment. Given that advocates of more of the same--tax increases, higher spending, state control and regulation, rigid tenure rules--are actively identifying and cultivating business relationships that advance their political and educational goals, companies should turn the tables on the establishment and find allies among educators who want real change in their schools. If education-spending lobbyists can use the support of a prominent business leader to great effect in political debates, companies and other proponents of market-oriented reforms can use the support of reform-minded educators to equally persuasive effect. Through research, advocacy, and political organization, companies can bring about the kind of reform they know is needed in American public education--but only if they remember that adopting schools isn't enough and can often be used to protect the status quo. The discipline of the marketplace must be applied to education, for the same reason that parents, natural or adoptive, must enforce discipline at home: If you spare the rod, you spoil the child.

Notes

1. Denis P. Doyle, "Lessons Learned: A Call to Action," Business Week, October 20, 1989, p. E96.

2. Preston Townley, "Business and Education Reform: Lots of Action . . . Any Impact?" Vital Speeches of the Day, April 1, 1989, p. 355.

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4. Cited in Edward B. Fiske, "Impending U.S. Jobs 'Disaster': Work Force Unqualified to Work," New York Times, September 2, 1989, p. B6. Workforce 2000 was a study, issued in 1987 by the Hudson Institute and the Department of Labor, of the gap between the skills that students were learning in school and what they would need to enter the work force.

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